Dear XXXXXXX X XXXXXXXXX,

This is an important notice from the Indiana Family and Social Services Administration (FSSA) about changes in health coverage benefits that affect you. While these changes mean your current Hoosier Healthwise coverage will end January 31, 2015, you will be automatically enrolled in the new HIP on February 1, 2015. You will not have a gap in coverage and your health plan (Anthem, MDwise or MHS) will not change.

You have the opportunity to receive HIP State Plan Plus benefits if you make your first contribution to your POWER account. To become fully eligible for HIP State Plan Plus you need to make your first monthly POWER account contribution on time.

Your POWER account contribution is based on your countable monthly income of $X,XXX.XX. Your POWER account contribution is approximately two (2) percent of your income, requiring an annual POWER account obligation of $XXX.XX, which can be paid in monthly installments of $XX.XX.

Under HIP State Plan Plus, you will have coverage for comprehensive benefits including vision, dental services, and non-emergency transportation. Other than your monthly POWER account contribution, in HIP State Plan Plus you will not be charged anything for visiting the doctor or filling prescriptions. The only other cost associated with getting health care in HIP Plus is a copayment for visits to the emergency room if the health condition is not an emergency. Contacting your health plan before visiting the emergency room to confirm your health condition is a true emergency may eliminate this payment.

If you do not pay your monthly contribution, you will be enrolled in HIP State Plan Basic. In HIP State Plan Basic, you will be required to make a payment called a copayment for most health services you receive including doctors' visits, prescriptions and hospital stays. These payments will range from $4 to $8 per doctor visit or prescription filled and may be as high as $75 per hospital stay.

Your HIP State Plan Plus health coverage will begin on the first day of the month in which your first monthly POWER account contribution is received and processed by your health plan. In a few days, your health plan will send you the bill for your first monthly POWER account contribution. If you do not make your contribution on time, you risk being placed into the HIP State Plan Basic benefit plan. The sooner you make your contribution, the sooner your HIP State Plan Plus benefits will begin.

When you transition to the new HIP on February 1, 2015, you can expect the following:

- You will not have a break in coverage.
- You will receive the same benefits in HIP that you do today in Hoosier Healthwise, but in HIP there are new features designed to help you manage your health and control health care costs.

In the HIP program, the first $2,500 of medical expenses for covered services are paid with a special savings account called a Personal Wellness and Responsibility (POWER) account. The State will pay most of this amount, but you will also be responsible for paying a portion of your initial health care

costs. Your portion is paid through an affordable, monthly contribution to your POWER account based on income.

Managing your account well and getting preventive care can reduce your future costs. If your annual health care expenses are less than $2,500 per year, you may rollover your remaining contributions to reduce your monthly contribution for the next year. You can also have this reduction doubled if you complete preventive services. If your annual health care expenses are more than $2,500, the first $2,500 is covered by your POWER account, and expenses for additional health services over $2,500 are fully covered at no additional cost to you. Your health plan will inform you what preventive services are recommended for you.

In HIP, your contributions to your POWER account will be yours, and you could receive a portion back if you leave the program. Since your contributions are based on a projected annual amount, you may also owe your health plan for any remaining months of enrollment if you leave the program early.

What does this mean for me?
Beginning February 1, 2015, you will be eligible for the HIP State Plan Plus program that provides continued medical services with a low, predictable monthly cost. The cost for the benefits is a monthly contribution based on your income.

With HIP State Plan Plus, you won't have to pay every time you visit a doctor, use transportation to medical appointments or fill a prescription. HIP State Plan Plus allows you to make a monthly contribution to your POWER account that is approximately two (2) percent of your income. If both you and your spouse are enrolled in HIP State Plan Plus, the monthly contribution amount will be split between you and your spouse. You will receive an invoice for your monthly contribution from your health plan. The only other cost you may have for health care in HIP State Plan Plus is a payment of $8 to $25 if you visit the emergency room if the health condition is not an emergency. Contacting your health plan before visiting the emergency room may eliminate this payment.

What happens if I do not pay my monthly contribution?

If you do not make your POWER account contribution on time and your income is under $973 per month for an individual or $1988 per month for a family of four, you will be enrolled in HIP State Plan Basic. In HIP State Plan Basic, you will not have a simple monthly contribution. Instead you will be responsible for a payment called a copayment for each health service you receive including doctors' visits, transportation to medical appointments, hospital stays or prescriptions. These payments will range from $4 to $8 per doctor visit or prescription filled and may be as high as $75 per hospital stay. In HIP State Plan Basic, you will be billed a copayment for each health service, and the HIP State Plan Basic could be more expensive than paying the HIP State Plan Plus monthly POWER account contribution.

INFORMATION ABOUT ELIGIBILITY AND ENROLLMENT IN THE HEALTHY INDIANA PLAN

Once you are enrolled in HIP, you are eligible to receive benefits for a period up to twelve (12) months. We will redetermine your eligibility annually or during the benefit period when we become aware of a change in

your circumstances. Certain changes in circumstances may impact your eligibility for HIP, your level of benefits or your monthly POWER account contribution. It is important that you report any change in circumstances during your benefit period.

CHANGES YOU MUST REPORT

You must report the following changes in your circumstances within 10 days of when the change occurs:

- You move to a new address or change mailing addresses.
- Your family income or family size changes.
- You lose your job, change jobs or get a new job.
- You become pregnant. You can continue to receive HIP benefits while pregnant, but you will not have to pay for any costs to receive HIP benefits while pregnant. We also need to know when you deliver your baby or when your pregnancy ends.
- You become insured under other health insurance, either private or Medicare.
- Any other change that you think may affect your eligibility or benefits for HIP.

If you have a change to report, please call or fax information to the FSSA Document Center at 800-403-0864, mail to FSSA Document Center, PO Box 1810, Marion, IN 46952 or submit a change request through the FSSA Benefits portal at in.gov/fssa/dfr

What happens next?
Your health plan will send you a bill for your POWER account contribution. Making this contribution as soon as possible will guarantee access to HIP State Plan Plus so you will not be asked to make copayments for covered health services. In HIP State Plan Plus, your monthly costs will always be a predictable amount unless your income changes.

Gateway to Work Program

As part of your enrollment in the Healthy Indiana Plan, if you are not a full time student or work more than 20 hours per week you may be referred to Indiana's Gateway to Work program. Gateway to Work will provide you with general information on the state's job search and training programs that could help connect you to potential employers. While participating in the Gateway to Work could help you find employment opportunities, failure to do so will not affect your HIP eligibility.

If you have questions about the change to your coverage, please refer to the frequently asked questions document found on the HIP website at www.hip.in.gov or contact your health plan at the number below. For questions regarding your eligibility, contact the State at 1-800-403-0864.

- **Anthem: (866)800-8780**
- **MDwise: (800)356-1204**
- **MHS: (877)647-4848**

If you disagree with our decision

You have the right to appeal our determinations such as your monthly income, POWER account contribution amount, or category of benefits. You cannot appeal the change in law that resulted in your transition from the previous benefits program to the new HIP. This notice includes instructions for filing an appeal. Please read this information carefully.

Timelines and process for appealing

You must file your appeal in writing by close of business within thirty-three (33) days of the date of the notice or the effective date of the action you are appealing, whichever is later. Please note that close of business means 4:30 pm local time where the appeal is received. If a deadline falls on a weekend or a holiday, we must receive your appeal by the next business day. If you mail your appeal, your appeal will be considered filed on the date of receipt and not on the postmarked date.

An FSSA representative will notify you of the next steps. If FSSA schedules a hearing we will notify you in writing of the date, time, and place for the hearing. You may speak for yourself at the hearing or bring someone else such as an attorney, friend or relative.

How will the appeal impact my benefits?

As a result of your conversion into the new HIP and our determination, you became eligible to receive a certain level of benefits. You will be able to receive this level of benefits while your appeal is pending. However, if you are enrolled in HIP Plus or HIP State Plan Plus, you must continue making the required monthly POWER account contribution during your appeal in order to continue receiving HIP Plus or HIP State Plan Plus benefits. Your appeal does not remove this requirement. If you do not make your required POWER account contributions on time during your appeal, you will lose access to HIP Plus or HIP State Plan Plus benefits and you may lose your HIP eligibility.

Can I maintain my previous benefits during the appeal?

As indicated in this notice, you are approved to receive services under the new HIP program. Changes in law may have eliminated your previous health program and its health benefits. If that is the case and you decide to appeal our determination of your eligibility for the new HIP program, you cannot maintain the benefits you received under the previous HIP program as they are no longer available.

Back payments for HIP POWER account

If you become ineligible for any HIP services and the ALJ rules in your favor, your coverage will be restored back to the appropriate date in which you should have been found eligible. Importantly, you will be responsible for paying back any missed POWER account contributions that accrued during your appeal. You will lose HIP eligibility if you do not repay this amount timely.

What if I have an appeal pending concerning my previous HIP benefits?

If you appealed an eligibility determination under a previous benefits program and are maintaining those benefits during your appeal, those benefits terminate on January 31, 2015. However, you will continue receiving

comparable services or a more enhanced services package beginning on February 1, 2015, as a result of this change in law.

If you lose or withdraw your appeal, you may no longer be eligible for coverage under the new HIP and your new HIP benefits may end. You may reapply for coverage under the new HIP. If you win your appeal, you will receive services in the appropriate category under the new HIP.

How to file an appeal

You can mail, fax or hand deliver your appeal request. The appeal must be in writing and must be signed.

To appeal, please send a signed letter with as much information as possible including your Name, Case Number, and Reason for the appeal, along with a copy of this entire notice to one of the following locations listed below. For your case, this information is provided below for your convenience.

Name: XXXXX X XXXXX
Case Number: XXXXXXXXXX XXXX XX
Date of Notice: XX/XX/XX County: XX

Please choose only one method to file your appeal.

1. Mail your written appeal to:

   FSSA Document Center
   PO Box 1810
   Marion, IN 46952

Or,

2. Fax your written appeal to FSSA Document Center: 1-800-403-0864

Or,

3. Take your written appeal to your local Office of the Division of Family Resources during regular business hours.

If you have questions or need more information about this notice or the fair hearing process, please call us at 1-800-403-0864. You can also read about the fair hearing process on our website at www.in.gov/fssa.

You may also contact your local office of the Division of Family Resources:

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XXXXXXXXXXXXX, XX XXXXX

PHONE: 1-800-403-0864